December 6, 2006

Danon S1003/012

Susan M. White, Mining Program Coordinator Minerals Regulatory Program State of Utah Department of Natural Resources PO Box 145801 Salt Lake City, UT 84114-5801

Re: Your November 22, 2006 Letter Concerning Limelight Green Quarry.

Greetings,

Please be aware that the registered trade name, Rocky Mountain Quartzite Limelight Green is a registered trade name belonging to Northern Stone Supply, Inc. and shall not be used unless authorized by Northern Stone Supply, Inc.

You need to realize that if additional work at the quarry is needed to meet your requirements we may not be able to accomplish it during the winter due to frozen ground, snow etc. etc. The division of Oil, Gas and Mining has been remiss is giving me virtually no notice of their inspection and the opportunity to meet with Lynn Kunzler and Larry Garahana. I happened to be out of the country when Lynn Kunzler made a phone call to my office regarding an inspection. This lack of coordination and communication has resulted in problems in the past. I have <u>always</u> requested joint meetings so that issues could be resolved and agreed upon without misunderstandings. Furthermore we have completed the same type of restoration work in the past at the site and our methods and results have been approved and bond amounts reduced. It is unfortunate that the OGM has not taken the time to define and publish a comprehensive mine restoration outline and agreement so the operator has specific guidelines to follow.

An onsite meeting with Lynn Kunzler will be necessary before we can proceed any further. You must also realize that should further work be required it can not be done with frozen ground and winter conditions. You must also realize that ever since we have been in business in Utah, we have had an understanding with the OGM and BLM that when prox. 25' or less, SOLID ROCK high walls are developed in a quarry, it is impractical to reduce them to a three to one slope. The normal procedure has always been to scale all loose material off of the high wall and slope it as much as possible with heavy excavating equipment. Also, ripping to 24" deep in solid rock areas is virtually impossible and unnecessary. 8"-12" has always been acceptable. In our last restoration phase the area was ripped to approximately 8" and the next season substantial growth in seeded areas was evident.

Please advise on these issues.

Sincerely,

Gary Mullard

President

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DIV. OF OIL, GAS & MINING

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Producing Quality Building Stone Products for Worldwide Distribution
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